

**Caring for our common home:
Developing Sustainable Businesses for Africa
Speech by Mike Eldon at the Strathmore University Business School
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Thank you, Strathmore, for having provoked me to reflect on the early influences in my life in relation to your theme this year of “Caring for our Common Home”, and within that the emphasis on business sustainability in Africa and the impact of leadership on such issues.

The reflecting helped me explore what shaped my values, attitudes and behaviour as I interacted with a wide variety of individuals and societies in my youth, and then later how this led me to try and influence the environment around me in ways that make us all care for our common home in sustainable ways.

In my formative years, at home and at school and university, within the communities in which I found myself, I experienced negligible waste of energy on discrimination or unproductive conflict. In all our diversity, irrespective of race or religion or other differentiating identifiers, my assumption was that our home was our common home, where we would all coexist, each in our own way, with our own talents, making our own contributions.

Let me go back to when I was a young boy in the late 1940s, in immediate post-World War II London, where there was food rationing and my mother had to queue for our allocation of powdered milk and powdered eggs. It was surely a time not to waste food. My parents and I had arrived in the UK in February of 1948 as immigrants, and it was a time of frugality, of leanness, for everyone.

My parents were both from Romania, and being Jewish they fled from the country in 1941 as the fascist government there, supported by the Nazis, were the absolute opposite of caring for a common home.

My mother and my father each made their way to what was then the British Mandate of Palestine, where they met and married. I was born to them in Haifa in March 1945 and then, as now, Haifa was the most liberal of towns – with several of my parents’ closest friends there being Arabs.

The world war was not yet over, so I arrived before the “baby boom” kicked in – my generation being called “the silent ones”, as we were known to just do as we were told, whether in the factory or the fields or in the front-line trenches.

We moved to London just before I turned three, joining my father’s elder brother and his family, and as many immigrants at that time we were so grateful for the care shown to us by the host community that we became great patriots for Britain. The British cared for us, and we appreciated their care.

My father's career with Shell relaunched very well, and by the time he retired in the late 1960s this outlier Jewish immigrant in an otherwise White Anglo-Saxon Protestant (known as WASP) environment had become the head of their worldwide management training division.

Shell was way ahead of its time in nurturing a globally diverse and inclusive culture of learning and growth, and one of my father's close colleagues at the time for a while, there for wider exposure, was then Shell's Personnel Manager in Kenya, Nick Muriuki.

Another was Charles Handy, who later became a global management guru and founded the Sloan Masters Programme at the London Business School – from which as it happens I graduated in 1974, with its 6th cohort. I later got to know Charles Handy myself, and to learn from him personally.

In his 1989 book, *The Age of Unreason*, he summed up the emerging trend in Western workplaces as: “½ X 2 X 3”, seeing that companies were tending to employ half the number of people they used to and expecting twice the output from them, in exchange for which they were being paid three times as much.

In the eighties we were already seeing the transformative inter-related effects of globalisation, liberalisation and technology... and its consequences on the need for educated and mobile knowledge workers. But no one had described the brave new world of “survival of the fittest” as succinctly as Handy, who worried before many that so many people (the other “½”) would be woefully unfit to meet the needs associated with more and more of the world's modern-day jobs.

Let me add that in a 2019 article in the London Business School Review, about which I wrote a piece in my Business Daily column, Handy advocated a form of learning at business schools that was “experience understood in tranquility”. Was it like this for you?

Those most suited for such programmes are not necessarily those with the highest academic scores, he felt. His plea for the business school of the future was that it should not provide an overly academic environment, and so faculty selection and promotion too should be based on broader criteria. Only when the faculty list includes professors of philosophy and drama, education and psychology, will business schools be appropriately equipped for the very different world ahead, he concluded. Sounds like Strathmore Business School?

While my father was enjoying his last years with Shell I was at university, studying economics at UCL, and here both our faculty and my fellow students were from all over the world. Faculty members included a Greek – the head of department, a Brazilian and an American, and among my closest friends were ones from Nigeria, India and Pakistan. Plus several from the Midlands and the North of England – ‘upcountry’ folk the likes of whom I had never interacted with before.

During my years as an undergraduate I was privileged to benefit from several internships with AIESEC, in France and in America, and I am delighted that a chapter of AIESEC exists here at Strathmore. This international association, which began just for students in economics and commerce, was set up in 1948, and its purpose was to bring together young people from around Europe to help the continent reintegrate and heal following the six-year divisive war.

A few weeks ago, AIESEC Kenya asked me to speak at their dinner celebrating the 75th anniversary of the organisation's founding, where had I thought of Pope Francis's concern for "caring for our common home" I would have referred to its uplifting initiating purpose. How wonderful that AIESEC went global and more inclusive, and that it is thriving so sustainably after all these years.

My first industrial-strength management opportunity came when I was asked by ICL, the British computer multinational for whom I'd been working since obtaining my undergraduate degree in 1967, to come and run their subsidiary here. It was still a time when there were many expatriates, not least in the tech field, and the assumption was that we guys – yes, at that time men only – from the North would be in charge and we would be the experts. We were the ones to give directions, and we were to be feared. It was what my British bosses expected of me, and pretty much what my Kenyan staff also did.

But I refused to buy into that mindset, and it was then that I started working with Transactional Analysis. I helped my newly-promoted Kenyan management team to pursue Adult-Adult relationships, not the Child-Parent ones so still assumed by the neo-colonialists.

I encouraged my Kenyan colleagues to see both themselves and others as "OK" rather than "Not OK" – including their bosses and their customers. In this way, I promoted an expectation of Win-Win relationships.

I have been working with this Adult-Adult, OK-OK, Win-Win trio of mindsets ever since, and hardly a week goes by without me doing so. Indeed it featured prominently at a workshop I facilitated earlier this week for the senior and middle level managers of a not-for-profit entity.

I introduced this way of being to my children before they were ten, and more recently to my grandchildren, at similar ages. For me it's the best way of helping develop people's self-respect and self-confidence, and more generally their emotional intelligence. What I firmly believe is that unless we apply such mindsets we will not be able to develop common homes, and our organisations and our societies will not be sustainable.

No. We will assume, as so many do, that life is played out in zero-sum games, where either I win or you do. This without appreciating that one way or another win-lose almost invariably ends up as lose-lose – as we are seeing so tragically with Ukraine and Russia, and with Hamas and Israel. I am delighted to see that as far as dispute resolution is concerned, the win-lose adversarial approach is increasingly giving way to arbitration and mediation, which allows for, and indeed aims at, win-win.

My favourite example of someone who expects and works towards win-lose outcomes is Donald Trump, and as we read in his book *The Art of the Deal* he assumed he would always manage to close a deal that left the other party as a "loser". But the unintended consequence for him and others like him is that no one wants to ever do business with them again. Or if at all it is only to get even, to seek revenge. Trump's win-lose transactions preclude win-win relationships from which both parties benefit ongoingly and sustainably.

Just to add to my analysis of Trump, I asked myself why he needs to go for win-lose rather than build towards win-win. It's to feed his ego, isn't it? And in Transactional Analysis terms, it's because his need for win-lose and for "I'm OK-You're not OK" posturings mask the insecurities of an "I'm not OK-You're OK" fellow.

The concepts of fairness and reasonableness have become much more prominent in recent times, and at the company level it has moved the mindset from merely benefitting one's shareholders to treating all key stakeholders fairly. For we have come to focus so much more on sustainability, not only of our organisations but of the environments within which they operate.

Unless, as the Pope said, we care for our common home, both your room in the home *and* mine will suffer... as will often also be the case for those who live beyond our home. Unless we go for win-win among all key stakeholders, forget sustainability.

Along with this we have been more and more conscious of the benefits of having an uplifting purpose in what we do. "Purpose before profit", we hear, along with the three Ps of People, Planet and Profit. The idea is not to do good at the *expense* of doing well, but to do well *through* doing good.

It absolutely speaks of taking a longer-term view, for that is what sustainability is all about: holding back from going for short-term sub-optimisation; not being held hostage by the Tyranny of Wall Street, where each quarter's results must exceed those of the previous quarter, but finding the strength to handle gratification deferral, with the incentive of disproportionately benefitting from its consequences.

This requires saying "No" when we should – "No" to customers, suppliers, investors and others with whom we should not engage; "No" to demands for "incentives" in order to be awarded contracts or to have government services provided more swiftly; "No" to shareholders who just want to minimise costs, generate immediate bottom line growth and unduly squeeze dividends.

I'm happy to say that many of the organisations with which I interact get the goodness of sustainability, the goodness of behaving responsibly towards the environment and when engaged in social and governance issues, all of which has been wrapped up in what we now call the ESG ecosystem.

And I'm not just talking about the Safaricom and the Equity Banks and the KCBs. I'm also seeing such responsible mindsets within many SMEs, within family businesses. Not all of them of course, just like not all the big boys and girls are good boys and girls.

I was recently asked to speak about ESG issues at the KENCTAD conference on that subject, and there I talked about several such companies. One thing they certainly have in common is a goal, an assumption, of long-term sustainability, so those delivering the eulogy at their graves will be able to speak of their honourable legacies.

I noted that such organisations are not behaving with a sense of corporate responsibility because they are being told to by moralist observers, not because a regulator is breathing down their necks. No, it is because of the values lived by them – their owners, their directors, their managers and the staff they attract.

Let me now move from talking about our common homes in the private sector to our national home. In the 1990s the World Bank encouraged countries around the world to develop country strategic plans through producing PRSPs, Poverty Reduction Strategy Papers. Kenya was among them, and eight Sector Working Groups were formed, one for each of the key sectors in the economy.

For the first time, ICT was identified as a sector on its own, and I was invited to be the private sector representative, with then Transport and Communications PS Titus Naikuni as our chairman. Our team came up with Kenya's first ever national ICT strategy and policy, which provided for an enabling national home for this fast-emerging industry.

PRSP was succeeded by the 2003 Economic Recovery Strategy, and at a milestone meeting in Mombasa in February of that year the ERS draft was presented by Harris Mule and David Ndiu to government officers, development partners and private sector representatives – of whom I was one, representing ICT.

It was on the sidelines of this meeting that then Planning Minister Anyang' Nyong'o met with the private sector folk attending, and told us the government needed us to come together and speak with one voice. It was this that led to the founding of KEPSA, which until today is the common home for the private sector.

I was a founder director, and later vice chairman, and until today I am a member of its advisory council. Now as then I believe passionately in its mandate, and also in its style of constructive engagement – win-win engagement – with government.

But not only with government – within and between sectors too, journeying towards long-term sustainability, creating that enabling environment, that level playing field which speaks of an ethical and high trust environment.

Now joining Business Member Organisations is voluntary. If you are a manufacturer no one says you must join KAM. If you are in the flower business, you only join the Kenya Flower Council if you wish to. And by and large the consequence is that it is the good guys who enroll. They are the ones who want a level playing field where the highest performers do best. For the tenderpreneurs, this is the opposite of what they want.

So my appeal to those of you who are in the private sector is not only to join but to be active in your business member organisations. It is good for your company and for your sector – and it is good for you and for your personal growth. In short, it shows that you care for the higher levels of your common home.

Joining groups with common interests does not only apply to those in the private sector, an obvious example being professional associations. If you are a doctor or an engineer, an accountant or a lawyer, in whichever environment, contribute to the wellbeing of your profession, and enjoy the benefits of doing so.

I look back with such good memories of my time around twenty years ago on the council of the Kenya Institute of Management, for some years as its chairman. I learned so much while helping to place positive leadership on the national agenda, just as I did through promoting the ICT cause around that time.

Currently I am a member of the Ethics Committee of the Blue Company, which attracts members who commit to neither give nor receive bribes. They then inhabit a common home of trustworthy organisations, with whom it is safe to transact. For as the title of Stephen Covey's book *The Speed of Trust* summed it up, where there is trust it is quicker and costs less to do business with one another. Good relationships will be sustained, and through that the businesses will be sustainable. To revert to my opening theme, there will be less waste of time or of money.

If you are not in government, do think of having your organisation become a member of the Blue Company, as what is needed is critical mass, that greater coalition of the willing. It is why the Blue Company – like the UN Global Compact – has partnered with KEPSA and others, and just a few weeks ago I invited one of the Blue Company founder directors, Julius Kipng'etich, to speak to our Rotary Club of Nairobi, where I have been a member since 1978, about its role. While with us he enjoyed hearing our Rotary Four-Way Test:

Of the things we think, say or do, is it the truth; is it fair to all concerned; will it bring goodwill and better friendships; and will it be beneficial to all concerned? Not a bad collection for a common home.

Consider also becoming certified by the Global Compact. Three weeks ago, at the book launch of the collection of my articles on ESG and Professor Michael Hopkins' book *CSR and Sustainability*, he and I formed part of a panel to discuss these topics.

Another panelist was Flora Mutahi, the Immediate Past Chair of KEPSA and a director of the Global Compact at both the Kenya and global levels, and she spoke eloquently about its broader spread of issues that promote sustainability beyond the anti-corruption element. For it encourages businesses to also behave responsibly vis-à-vis the environment, human rights and labour standards. I moderated the launch of its Kenya Chapter in 2017, and since then it has gathered momentum as a force for good in this country.

In my time here I have become involved in a number of national peace-building and conflict-resolution initiatives, the first of which was in 2004, when a team of us from the private sector offered to mediate between President Kibaki and his people, and his coalition partner Raila and his. The problem was that Kibaki's side was not keeping to some aspects of the MoU it had signed with Raila prior to the 2002 election.

The consequence? The coalition government ministers were being distracted by the resulting feuds between the two factions and was taking its eye off caring for our common home.

They had committed to create an enabling environment for the private sector, but due to their internal frictions they were unavailable to focus on the jobs for which they had been elected. For three months we listened and we nudged, but no progress was made. We warned the President and his team that unless they softened their position and allowed for a return to win-win, the consequences could be severe.

In the Powerpoint presentation we made to them we spelt out that holding on to their win-lose stance would prevent them from seeing through the 2005 referendum on the Constitution; they would face challenges with the next election in 2007; and there could well be civil unrest... much of which Francis Muthaura writes about in his recently published memoir, *A Moving Horizon*.

We know what happened. The referendum failed, and the 2008 post-election violence erupted following a contentious poll. So sad, so unnecessary... so predicted by us in 2004. It is why I am pleased to be an adviser to NCIC, the National Cohesion and Integration Commission, which was set up as a consequence of those turbulent days.

Before the last election I connected NCIC to KEPSA's Mkenya Daima programme to encourage peaceful and responsible behaviour before, during and after the vote, and this is the kind of collaboration I am always on the lookout for promoting.

I'd like to think that in what I am saying here I am preaching to the converted. Otherwise why would you have chosen to participate in your executive programmes at Strathmore Business School, whose mission statement is "To develop ethical and transformational leaders" through doing what it does? You have been empowered to reach the next level of your transformational leadership, and my challenge to you is to make full use of that gift. Not only for your organisation and yourself but much further beyond that.

You will achieve much more if you pursue your transformational passions with fellow sustainability champions, be they in business and professional member organisations, The Global Compact and The Blue Company, or Rotary; be they in partnership with the good people in government – of whom there are many – or in NGOs and civil society. And of course make your contributions to and benefit from Strathmore Business School, now as its alumni.

We need such collaboration and synergy among those who possess an uplifting purpose if we are to create that critical mass of responsible transformational leaders, that coalition of the willing who can significantly and sustainably influence our society.

EACC Chairman Bishop David Oginde recently described Kenya as a "valueless society". I think that's an over-generalisation, as my assessment is that, as elsewhere, we have a whole spectrum in our population, from the really good to the really awful (Bishop Oginde's "matatu culture" characters), with many in between.

Our challenge is to move the needle towards the positive end of the spectrum, and not as isolated individuals but as members of organisations, that in turn partner with as many other organisations as possible.

As I have felt ever since I arrived here nearly fifty years ago, this is a country of amazing potential. And it is precisely people like you who can contribute towards that uplifting goal. Ladies and gentlemen, as you emerge from your tranquil times in Strathmore, I am sure you are well prepared to be even more impactful champions of sustainability, as you care for our common homes. Otherwise why would you have wanted to mingle here?